Bill No. <u>SB 1142</u>

## Barcode 121362

577-2080A-05 Proposed Committee Substitute by the Committee on Commerce and Consumer Services

1	A bill to be entitled
2	An act relating to public records and public
3	meetings; creating an exemption from
4	public-records requirements for trade secrets
5	held by an agency; requiring that a written
6	declaration be submitted to the agency
7	verifying that the information is a trade
8	secret; specifying requirements for such
9	declaration; providing for retroactive
10	application of the public-records exemption;
11	creating an exemption from public-meetings
12	requirements for any portion of a meeting at
13	which a trade secret is discussed; providing
14	for future review and repeal under the Open
15	Government Sunset Review Act; providing a
16	statement of public necessity; repealing s.
17	815.045, F.S., relating to trade secret
18	information; providing an effective date.
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20	Be It Enacted by the Legislature of the State of Florida:
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22	Section 1. (1) A trade secret, as defined in section
23	688.002 or section 812.081, Florida Statutes, held by an
24	agency as defined in section 119.011, Florida Statutes, is
25	confidential and exempt from section 119.07(1), Florida
26	Statutes, and Section 24(a), Article I of the State
27	Constitution if:
28	(a) The proprietor of the trade secret, or the
29	authorized officer, employee, or agent of the proprietor,
30	submits to the agency a written declaration, verified as
31	provided in section 92.525, Florida Statutes, which:

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1	<ol> <li>Identifies the trade secret;</li> </ol>
2	2. Certifies that the identified information is a
3	trade secret as defined in section 688.002 or section 812.081,
4	Florida Statutes;
5	3. Certifies that the identified information derives
6	independent economic value, actual or potential, from not
7	being generally known to, and not being readily ascertainable
8	by proper means by, other persons who can obtain economic
9	value from its disclosure or use;
10	4. Certifies that the identified information is the
11	subject of efforts of the proprietor to maintain its secrecy;
12	<u>and</u>
13	5. Certifies that the identified information is not
14	otherwise readily ascertainable or publicly available from any
15	other source;
16	(b) The identified information is not readily
17	ascertainable or publicly available by proper means by other
18	persons from any other source; and
19	(c) The identified information is not a price or cost
20	that is included in a response to a competitive solicitation
21	submitted to an agency.
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23	This exemption applies to all trade secrets held by an agency
24	before, on, or after October 1, 2005, if the requirements of
25	this subsection are met.
26	(2) That portion of a meeting at which a trade secret
27	that is confidential and exempt pursuant to subsection (1) is
28	reviewed or discussed is exempt from section 286.011, Florida
29	Statutes, and Section 24(b), Article I of the State
30	Constitution.
31	(3) This section is subject to the Open Government

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Sunset Review Act of 1995 in accordance with section 119.15, Florida Statutes, and shall stand repealed on October 2, 2010, unless reviewed and saved from repeal through reenactment by 3 the Legislature. Section 2. The Legislature finds that it is a public 5 necessity that a trade secret, as defined in section 688.002 6 or section 812.081, Florida Statutes, held by an agency as 7 defined in section 119.011, Florida Statutes, be made 8 confidential and exempt from public-records requirements. A trade secret derives independent economic value, actual or 10 11 potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who 12 13 can obtain economic value from its disclosure or use. An agency, in performing its lawful duties and responsibilities, 14 may need to obtain from the proprietor information that is a 15 trade secret. Without an exemption from public-records 16 requirements for a trade secret held by an agency, that trade 17 18 secret becomes a public record when received by the agency and 19 must be divulged upon request. Divulgence of any trade secret 20 under public-records or public-meetings laws would destroy the value of that property to the proprietor, causing a financial 21 loss not only to the proprietor but also to state or local 2.2 governments due to loss of tax revenue and employment 23 opportunities for residents. Release of that information would 24 give business competitors an unfair advantage and weaken the 25 position of the proprietor of the trade secret in the 26 27 marketplace. In addition, without protecting information concerning a trade secret during meetings at which the 28 information is discussed, competitors and other persons may 29 attend those meetings and discover the trade secret. Thus, the 30 31 Legislature finds that it is a public necessity that a trade

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1	secret held by an agency be made exempt from public-meetings
2	requirements and confidential and exempt from public-records
3	requirements.
4	Section 3. <u>Section 815.045, Florida Statutes, is</u>
5	repealed.
6	Section 4. This act shall take effect October 1, 2005.
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